

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Poland is a Bigger U.S. Food and Ag Market than Meets the Eye

Report Categories:

Agriculture in the Economy
Promotion Opportunities
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Report Highlights:

Poland is an increasingly important market for U.S. food and agriculture. However, official U.S. trade data do not entirely capture the scope of U.S. food and agricultural exports bounds for the Polish market. Moreover, these data are not a reliable indicator of Polish demand for U.S. products, which may lead some U.S. exporters and/or USDA Cooperators to undervalue Poland as an export market. This dynamic becomes evident when comparing trade data from the Global Agricultural Trade System (GATS) and the Global Trade Atlas (GTA). GATS only measures U.S. exports to ports of disembarkation. GTA data, which reflect Polish Customs data, measures imports based on country of origin.

General Information:

2018 Polish import data for U.S. food and agricultural products were significantly larger than similar trade data reported by GATS, due to substantial levels of indirect trade through Western European ports of entry (*e.g.* Rotterdam, Antwerp, Hamburg, Bremerhaven). Indirect trade is especially noteworthy for high-value products, as growing markets in the EU’s eastern periphery still cannot match the consumption capacity as Western European markets, although this gap is narrowing. As a result, many importers regularly import smaller volumes of high-value products to avoid overwhelming the local market.

When comparing 2018 GATS trade data with 2018 GTA Customs data (Table 1), the discrepancy vis-à-vis the Polish market is upwards of \$200 million, a 57-percent difference. Post estimates that 43 percent of U.S. food and agricultural products on the Polish market in 2018 initially landed in Western European and were not captured in GATS data.

Table 1: Polish Food and Ag Imports from the United States (2016-18) (\$ million)

Source of Data	2016	2017	2018
GATS	220.0	210.8	259.4
GTA Customs	370.1	422.1	458.3
Difference	150.1	211.3	198.9
<i>% of Indirect Exports</i>	<i>40</i>	<i>50</i>	<i>43</i>

In 2018, GATS data undervalued U.S. wine exports to Poland by \$40.1 million, when compared with GTA Customs data (Table 2). In 2018, over 90 percent of the U.S. wine imported into Poland arrived through Germany, explaining the significant difference between GATS and GTA Customs data. France and United Kingdom (UK) were also important wine ports of entry.

In 2018, GATS data undervalued U.S. food preparation exports to Poland by \$4.5 million, when compared with GTA Customs data (Table 2). U.S. origin food preparations mostly arrived into Poland through Germany, the Netherland, and Belgium.

GATS undervalued 2018 U.S. exports of shelled almonds to Poland in 2018 by \$6.2 million, versus GTA Customs data (Table 2). U.S. almonds arrive in Poland through Spanish, German and Dutch intermediaries.

In 2018, GATS data undervalued U.S. exports of U.S.-origin distilled spirits to Poland by \$3.3 million, when compared with GTA Customs data (Table 2). U.S.-origin distilled spirits mostly arrive in Poland

through German and Dutch intermediaries.

GATS undervalued U.S. prune exports to Poland in 2018 show undervaluation by GATS data by \$0.5 million, when compared with GTA Customs data (Table 2). U.S. prunes arrive in Poland mostly through German intermediaries.

GATS undervalued 2018 U.S. exports of cranberries to Poland by almost \$10 million, when compared with GTA Customs data (Table 2). U.S. cranberries arrive in Poland through German and Dutch intermediaries.

GATS undervalued 2018 U.S. exports of pistachios to Poland by \$8.8 million, versus GTA Customs data (Table 2). U.S. pistachios arrive in Poland mostly through German intermediaries, especially through German supermarket supply chains. Several German supermarket chains are widespread throughout Poland.

U.S. exports of sauces, mixes, condiments, and seasonings to Poland in 2018 were undervalued by GATS data by \$300,000, when compared with GTA Customs data (Table 2). U.S. sauces, mixes, condiments and seasonings arrive in Poland through German, Dutch, and British intermediaries.

GATS shows no direct import of sweet potatoes to Poland; GTA Customs data shows U.S. sweet potato exports to Poland exceeded \$700,000. In 2018, Polish imports of U.S. sweet potatoes grew 113 percent over 2017. U.S. sweet potatoes and other vegetables tend to enter Polish market through other EU Member States, principally Germany, Italy, and the Netherlands.

GATS undervalued 2018 U.S. exports of beef to Poland by \$300,000, versus GTA Customs data (Table 2). U.S. beef arrives in Poland mostly through Dutch and German intermediaries.

Alaskan pollock accounts for nearly 30 percent of U.S. frozen fish exports to the Polish market. 2018 GATS data showed almost no U.S. exports of frozen pollock to Poland, while GTA Customs data reflected \$31.1 million of Polish pollock imports.

Table 2 below reflects direct versus indirect U.S. exports to Poland for select food products. The following is not an exhaustive list, but attempts to capture the most relevant U.S. products. FAS Warsaw is eager to raise awareness among all U.S. industry and commercial partners about the potential of Polish market through reporting and direct contact.

Table 2: 2018 Direct vs. Indirect Trade of U.S. Ag, Fish and Forestry Products (\$ million)

HS Code	Description	GATS	GTA Customs	Difference (indirect imports)	Share of indirect imports in total imports (%)
	Agricultural, Fishery and Forestry Products	259.4	458.3	198.9	43
2401.20	Tobacco	18.1	53.1	35.0	66
2204.21	Wine, Grape	2.9	43.0	40.1	93
2106.90	Food Preparations	14.6	19.2	4.5	24
0802.12	Almonds, Shelled	11.4	17.6	6.2	35
2208.30	Whiskies	32.6	35.8	3.3	9
2309.90	Animal Feed Prep.	4.4	21.3	16.9	80
0813.20	Prunes dried	3.8	4.3	0.5	10
0303.12	Pacific Salmon	0.2	9.4	9.2	97
0303.11	Sockeye Salmon	22.4	24.8	2.3	9
0304.75	Alaska Pollock	0	31.1	31.1	100
0201 0202	Beef	0	0.3	0.3	100
2008.93	Cranberries	10.4	19.5	10.1	52
0802.51	Pistachios	2.2	11.0	8.8	80
0714.20	Sweet potatoes	0	0.7	0	97
2103.90	Sauces, Mixed Condiments and Seasonings	1.9	2.2	0.3	14

Poland is the EU's fourth largest fish processor and in 2018, it imported \$2.4 billion of fish and seafood, mainly from Norway and Sweden. Poland is also a fast growing export market for U.S. fish and seafood products. According to the GTA Customs data, 2018 imports of fish and seafood from the United States amounted to \$78.6 million, a 75 percent increase over 2014 (Table 3).

Table 3: Imports of Fish and Seafood from the United States (2014-18) (\$ million)

Source of Data	2014	2015	2016	2017	2018
GATS	4.8	2.0	8.6	5.6	23.7
GTA Customs	49.8	58.9	71.5	77.3	78.6
Difference	45.0	56.9	62.9	71.7	54.9
<i>Percent of Indirect Exports</i>	<i>90</i>	<i>97</i>	<i>88</i>	<i>93</i>	<i>70</i>

A direct comparison of GTA Customs and GATS data for fish and seafood reveals that in the last five years, indirect imports of U.S. fish and seafood accounted for between 70 and 97 percent of total trade value. Some U.S. exporters may not be fully aware of the potential of Polish fish and seafood market, which may affect how these stakeholders allocated resources for promotional activities.

Table 4: GATS U.S. Fish and Seafood Direct Exports to Poland (\$ million)

HS Code		2016	2017	2018
	Fish Products, Total	8.6	5.6	23.7
030311.0000	Sockeye Salmon, Frozen	4.1	3.1	22.5
030312.0032	Pink Salmon, Frozen	0.6	0.6	0.2
030475.0000	Fish Filets, Frozen	0.3	0	0
030312.0022	Chum Salmon, Frozen	1.2	1.3	0
030312.0012	Chinook, Frozen	0.4	0.1	0
030363.0000	Cod, Frozen	0.2	0	0
030366.0000	Whiting, Hake, Frozen	0.1	0	0
030367.0000	Alaska Pollock, Frozen	0.2	0	0
030481.0000	Pacific Salmon, Filets, Frozen	0.2	0	0
030499.1130	Surimi, Alaska Pollock, Frozen	0.8	0.2	0

Table 5: GTA Customs U.S. Fish & Seafood Indirect Exports to Poland (\$ million)

HS Code		2016	2017	2018
	Fish Products, Total	71.5	77.3	78.6
0303.11	Sockeye Salmon, Frozen	13.8	31.8	24.8
0303.12	Pacific Salmon, Frozen	7.1	8.9	9.4
0303.63	Cod, Frozen	0.3	0	0.2
0303.13	Atlantic Salmon and Danube Salmon, Frozen	0.4	0.3	0
0303.42	Yellowfin Tuna except Filets, Liver & Roes Frozen	0	0.2	0
0304.75	Alaska Pollock Filets, Frozen	22.2	23.4	27.3
0304.81	Pacific, Atlantic and Danube Salmon Filets Frozen	16.6	23.0	13.3
0304.94	Alaska Pollock, Frozen, Except Filets	5.5	7.1	7.6
0304.95	Fish of Families Bregmacerotidae etc., Frozen	0.4	1.2	1.5
0304.74	Hake Filets, Frozen	0.5	0	0